

CHIEF ALBERT LUTHULI MUNICIPALITY
ANNUAL FINANCIAL STATEMENTS
for the year ended 30 June 2011

General information

Members of the Council

Mayor Councillor BP Shiba	Executive Mayor
Councillor Nkosi SM	Speaker
Councillor DP Nkosi	Chief Whip
Councillor Mnisi NM	Member of Mayoral Committee
Councillor Mngomezulu MW	Member of Mayoral Committee
Councillor Thabethe QG	Member of Mayoral Committee
Councillor SJ Nkosi	Member
Councillor SD Mbuyane	Member
Councillor AD Nkosi	Member
Councillor BM Masuku	Member
Councillor SI Malaza	Member
Councillor SZ Nkosi	Member
Councillor JS Mbhele	Member
Councillor GJ Nkosi	Member
Councillor KC Mathuywa	Member
Councillor NG Thomo	Member
Councillor NI Mdhuli	Member
Councillor JA Simelani	Member
Councillor A Ngubeni	Member
Councillor JF Ntuli	Member
Councillor ZF Mkhwanazi	Member
Councillor FS Mdluli	Member
Councillor TW Motha	Member
Councillor RG Vilakazi	Member
Councillor EB Mkhabela	Member
Councillor MJ Nkosi	Member
Councillor J Vilakazi	Member
Councillor EJ Lubede	Member
Councillor JP Soko	Member
Councillor VS Shabangu	Member
Councillor VL Nkosi	Member
Councillor PP Mhlanga	Member
Councillor JS Nkosi	Member
Councillor JN Nkabinde	Member
Councillor NM Nkosi	Member
Councillor NR Cindi	Member
Councillor KM Mazibuko	Member
Councillor ML Steenkamp	Member
Councillor NB Sikhakhane	Member
Councillor NV Makhubelo	Member
Councillor ZM Dlodlu	Member
Councillor TJ Motha	Member
Councillor N Mnisi	Member
Councillor J Makene	Member
Councillor ST Malaza	Member
Councillor VV Vilakazi	Member
Councillor MH Nkosi	Member
Councillor TE Zwane	Member
Councillor HJ McGinn	Member

Acting Municipal Manager

V.N Mpila

Acting Chief Financial Officer

P.J. Nhlabathi

Grading of Local Authority

Medium

Auditors

Auditor-General

Bankers

Standard Bank of South Africa Ltd

CHIEF ALBERT LUTHULI MUNICIPALITY
ANNUAL FINANCIAL STATEMENTS
for the year ended 30 June 2011

General information (continued)

Registered Office:

Carolina

Physical address:

28 Kerk Street
Carolina
Mpumalanga

Postal address:

Private Bag X719
Carolina
1185

Telephone number:

(017) 843 4000

Fax number:

(017) 843 4001

E-mail address:

mm@albertluthuli.gov.za

CHIEF ALBERT LUTHULI MUNICIPALITY

ANNUAL FINANCIAL STATEMENTS

for the year ended 30 June 2011

Approval of annual financial statements

I am responsible for the preparation of these annual financial statements, which are set out on pages 4 until Appendix D, in terms of Section 126(1) of the Municipal Finance Management Act and which I have signed on behalf of the Municipality.

I certify that the salaries, allowances and benefits of Councillors, loans made to Councillors, if any, and payments made to Councillors for loss of office, if any, are within the upper limits of the framework envisaged in Section 219 of the Constitution, read with the Remuneration of Public Officer Bearers Act and the Minister of Provincial and Local Government's determination in accordance with this Act.

V.N Mpila
Acting Municipal Manager

DATE:

CHIEF ALBERT LUTHULI MUNICIPALITY

ANNUAL FINANCIAL STATEMENTS

for the year ended 30 June 2011

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CHIEF ALBERT LUTHULI MUNICIPALITY

STATEMENT OF FINANCIAL POSITION

as at 30 June 2011

	Note	2011 R	2010 R
ASSETS			
Current assets		101 149 470	102 507 444
Cash and cash equivalents	1	42 389 578	46 886 181
Trade and other Receivables from Exchange Transaction	2	41 693 182	34 187 460
Trade and other Receivables from non Exchange-Transaction	3	8 282	4 592 635
Inventories	4	87 453	78 486
VAT receivable	8	16 970 975	16 762 682
Non-current assets		507 003 201	503 837 337
Property, plant and equipment	5	507 003 201	503 837 337
Total assets		608 152 671	606 344 781
LIABILITIES			
Current liabilities		47 739 209	52 847 583
Trade and other payables from exchange transactions	6	21 051 825	25 213 771
Consumer deposits	7	629 235	636 700
Current provisions	9	1 616 433	2 231 487
Bank overdraft	1	-	-
Unspent conditional grants and receipts	10	24 413 049	24 759 396
Finance lease liability	11	28 668	6 229
Non-current liabilities		84 434	113 102
Finance lease liability	11	84 434	113 102
Total liabilities		47 823 643	52 960 685
Net assets		560 329 027	553 384 096
NET ASSETS			
Reserves		45 939 589	45 646 583
Accumulated surplus / (deficit)		514 389 440	507 737 513
Total liabilities / Equity		560 329 029	553 384 096

CHIEF ALBERT LUTHULI MUNICIPALITY
STATEMENT OF FINANCIAL PERFORMANCE

for the year ending 30 June 2011

	Note	2011 R	2010 R
Revenue			
Property rates	12	25 449 757	20 848 765
Service charges	13	20 771 094	22 119 054
Rental of facilities and equipment	14	496 773	501 260
Interest earned - external investments	15	3 017 002	4 217 462
Interest earned - outstanding receivables	16	14 337 670	16 089 361
Fines		168 292	110 270
Licences and permits		1 559 134	1 747 477
Operational grants and subsidies	17	132 313 590	111 951 646
Capital grants and subsidies	17.1	57 737 150	47 188 488
Other income	21	1 335 330	1 778 020
Total revenue		257 185 792	226 551 803
Expenses			
Employee related costs	22	71 311 810	62 786 490
Remuneration of councillors	23	10 903 226	9 006 912
Bad debts		29 867 652	7 969 597
Collection costs		-	-
Depreciation and amortisation expense	24	95 225 877	18 714 541
Repairs and maintenance		20 187 804	5 888 351
Finance costs	25	16 908	19 905
Bulk purchases	26	20 864 908	14 840 323
Contracted services	27	12 404 708	9 629 443
General expenses	28	61 764 793	47 004 691
Total expenses		322 547 687	175 860 255
Gain / (loss) on sale of assets		-	-
(Impairment loss) / Reversal of impairment loss		-	-
Profit / (loss) on fair value adjustment		-	-
Inventories: (Write-down) / reversal of write-down to net realisable value		-	-
Surplus / (deficit) for the period		(65 361 895)	50 691 547

CHIEF ALBERT LUTHULI MUNICIPALITY
STATEMENT OF CHANGES IN NET ASSETS

as at 30 June 2011

	Government Grant Funds & Reserves	Capital Replacement reserve	Mark to Market Reserve	Total: Reserves	Accumulated Surplus/(Deficit)
	R	R	R	R	R
Balance at 30 June 2009	-	20 784 954	9 932	20 794 886	481 837 688
Correction of prior period error					59 975
Government Grants	24 851 697			24 851 697	(24 851 697)
	24 851 697	20 784 954	9 932	45 646 583	457 045 966
Other Adjustments					-
Fair Value of PPE					-
Net gains and losses not recognised in the statement of financial performance					-
Available for Sale Investment					-
Transfers to / from accumulated surplus/(deficit)					-
Surplus / (deficit) for the period					50 691 547
	24 851 697	20 784 954	9 932	45 646 583	507 737 513
Balance at 30 June 2010					
Correction of prior period error (see note 31)		293 006		293 006	72 013 822
Government Grants					-
	-			-	-
Surplus / (deficit) on revaluation of property of property, plant and equipment	24 851 697	21 077 960	9 932	45 939 589	579 751 335
Other Adjustments					-
Fair Value of PPE					-
Net gains and losses not recognised in the statement of financial performance					-
Net gains and losses not recognised in the statement of financial performance					-
Available for Sale Investment					-
Transfers to / from accumulated surplus/(deficit)					-
Surplus / (deficit) for the period					(65 361 895)
	24 851 697	21 077 960	9 932	45 939 589	514 389 440
Balance at 30 June 2011					
	24 851 697	21 077 960	9 932	45 939 589	560 329 029











































